GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3588
ANSWERED ON:18.04.2005
MONITORING OF PRICES OF DRUGS
Chowdhury Shri Adhir Ranjan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

:

(a) the details of policy decision For altering the norms of value ceiling for monitoring the prices of drugs in the country;

(b) this details of drugs that have a total sale of Rs.1 crore per year in controlled and decontrolled category;

(c) whether Organizational Research Group (ORG) does not monitor sales of generic drugs;

(d) if so, the details thereof; and

(e) the details of the criteria laid down for monitoring of ex-factory clearance price, wholesale price and maximum retail price of drugs?

Answer

THE. MINISTER OF CHEMICALS AND FERTILIZERS. MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) & (e): The Government has constituted National Pharmaceutical Pricing Authority (NPF`A) as an independent body of experts which has been entrusted with the tysk of price fixation/revision and other related matters such as monitoring the prices of decontrolled drugs. The Authority has power to regulate its own procedure for performing the functions entrusted to it. The procedures and systems for monitoring the prices of decontrolled formulations have been decided in the Authority from time to time and are uniformly followed for monitoring the whole pharma market as per monthly Retail Audit Reports of ORG-IMS Research Pvt. Ltd. This Report covers about 30,000 formulations packs, out of which around 4500 formulation packs have more than Rs.1 crore Moving Annual Turnover value. The Report covers both generic as weil as branded drugs manufactured by the major companies in the country. Vide notification No.2/2005- Centra! Excise (NT.) dated

71 2005 of Department of Revenue read with notification No.4/2005-Central Excise (N.T.) dated 23,2.2005, the excise duty is being levied on 60% of the retail price of medicines. Any other data on ex-factory clearance price is not available in public domain.